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New Ray Medicine
新銳醫藥

New Ray Medicine International Holding Limited

新銳醫藥國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 6108)

PROPOSED CAPITAL REORGANISATION

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The Board proposes to implement the Capital Reorganisation which will involve the Share Consolidation, the Capital Reduction and the Share Sub-division.

1. Share Consolidation

The proposed Share Consolidation is on the basis that every ten (10) issued and unissued Existing Shares of par value of HK\$0.05 each in the share capital of the Company be consolidated into one (1) Consolidated Share of par value of HK\$0.50 each in the share capital of the Company and where applicable, the total number of the Consolidated Shares in the issued share capital of the Company immediately following the Share Consolidation will be rounded down to a whole number by cancelling any fraction in the issued share capital of the Company which may arise from the Share Consolidation.

2. Capital Reduction

Immediately upon the Share Consolidation becoming effective, the Capital Reduction will be conducted in the following manner:

- (i) any fractional Consolidated Shares in the issued share capital of the Company arising from the Share Consolidation will be cancelled;

- (ii) the par value of each of the then issued Consolidated Shares will be reduced from HK\$0.50 to HK\$0.01 by cancelling the paid-up capital of the Company to the extent of HK\$0.49 on each of the then issued Consolidated Shares, so that following such reduction, each issued Consolidated Share shall become one New Share with par value of HK\$0.01 each; and
- (iii) the credit arising from the Capital Reduction will be transferred to the Contributed Surplus Account for use by the Board in any manner as the Board may deem fit as may be permitted under the applicable laws and the Bye-laws.

3. Share Sub-division

Immediately following the Capital Reduction becoming effective, each of the then authorised but unissued Consolidated Shares will be sub-divided into fifty (50) New Shares of par value of HK\$0.01 each. The New Shares will rank *pari passu* in all respects with each other and the Capital Reorganisation will not result in any change in the relative rights of the Shareholders.

GENERAL

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve, among other things, the Capital Reorganisation. To the best of the Directors' knowledge, information and belief, as no Shareholder has a material interest in the Capital Reorganisation, no Shareholder will be required to abstain from voting on the special resolution to approve the Capital Reorganisation at the SGM.

A circular containing, among other things, details of the Capital Reorganisation, together with a notice convening the SGM and the related proxy form, is expected to be published on or before Friday, 27 June 2025.

WARNING

Shareholders and potential investors of the Company should note that the Capital Reorganisation is conditional upon satisfaction of the conditions set out in this announcement. Accordingly, the Capital Reorganisation may or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares. If they are in any doubt, they should consult their professional advisers.

PROPOSED CAPITAL REORGANISATION

The Board proposes to implement the Capital Reorganisation which will involve the Share Consolidation, the Capital Reduction and the Share Sub-division.

1. Share Consolidation

The proposed Share Consolidation is on the basis that every ten (10) issued and unissued Existing Shares of par value of HK\$0.05 each in the share capital of the Company be consolidated into one (1) Consolidated Share of par value of HK\$0.50 each in the share capital of the Company and where applicable, the total number of the Consolidated Shares in the issued share capital of the Company immediately following the Share Consolidation will be rounded down to a whole number by cancelling any fraction in the issued share capital of the Company which may arise from the Share Consolidation.

2. Capital Reduction

Immediately upon the Share Consolidation becoming effective, the Capital Reduction will be conducted in the following manner:

- (i) any fractional Consolidated Shares in the issued share capital of the Company arising from the Share Consolidation will be cancelled;
- (ii) the par value of each of the then issued Consolidated Shares will be reduced from HK\$0.50 to HK\$0.01 by cancelling the paid-up capital of the Company to the extent of HK\$0.49 on each of the then issued Consolidated Shares, so that following such reduction, each issued Consolidated Share shall become one New Share with par value of HK\$0.01 each; and
- (iii) the credit arising from the Capital Reduction will be transferred to the Contributed Surplus Account for use by the Board in any manner as the Board may deem fit as may be permitted under the applicable laws and the Bye-laws.

3. Share Sub-division

Immediately following the Capital Reduction becoming effective, each of the then authorised but unissued Consolidated Shares will be sub-divided into fifty (50) New Shares of par value of HK\$0.01 each. The New Shares will rank *pari passu* in all respects with each other and the Capital Reorganisation will not result in any change in the relative rights of the Shareholders.

Conditions of the Capital Reorganisation

The Capital Reorganisation is conditional upon:

- (i) the passing of the necessary special resolution by the Shareholders at the SGM to approve the Capital Reorganisation involving the Share Consolidation, the Capital Reduction and the Share Sub-division;
- (ii) the compliance with the relevant procedures and requirements under the Companies Act and applicable laws of Bermuda to effect the Capital Reorganisation, which includes the Directors being satisfied that on the date the Capital Reorganisation is to take effect, there are no reasonable grounds for believing that the Company is, or after the Capital Reorganisation would be, unable to pay its liabilities as they become due;
- (iii) the Stock Exchange granting the listing of, and permission to deal in, the New Shares arising from the Capital Reorganisation;
- (iv) the compliance with the relevant procedures and requirements under the Listing Rules to effect the Capital Reorganisation; and
- (v) the obtaining of all necessary approvals and/or consents from the regulatory authorities or otherwise as may be required in respect of the Capital Reorganisation.

As at the date of this announcement, none of the conditions above had been fulfilled.

Subject to the fulfilment of the above conditions, the Capital Reorganisation will become effective on Tuesday, 22 July 2025, which is the second Business Day immediately after the date of the SGM.

Effects of the Capital Reorganisation

As at the date of this announcement, the authorised share capital of the Company is HK\$150,000,000 divided into 3,000,000,000 Existing Shares of par value of HK\$0.05 each, of which 1,671,846,657 Existing Shares have been issued and fully paid or credited as fully paid.

Assuming there will be no change in the issued share capital of the Company from the date of this announcement until the completion of the Share Consolidation, after the Share Consolidation becoming effective but before the Capital Reduction and Share Sub-division becoming effective, the authorised share capital of the Company will be HK\$150,000,000 divided into 300,000,000 Consolidated Shares of par value HK\$0.50 each, of which 167,184,665 Consolidated Shares (with a fraction of 0.7 Consolidated Share) will be in issue and fully paid or credited as fully paid.

Assuming there will be no change in the issued share capital of the Company from the date of this announcement until the Capital Reorganisation becoming effective, the authorised share capital of the Company will be HK\$150,000,000 divided into 15,000,000,000 New Shares of par value HK\$0.01 each, of which 167,184,665 New Shares will be in issue and fully paid or credited as fully paid.

Based on 1,671,846,657 Existing Shares in issue as at the date of this announcement, a credit of approximately HK\$81.9 million will arise as a result of the Capital Reorganisation. Such credit arising in the accounts of the Company from the Capital Reorganisation will be transferred to the Contributed Surplus Account, which will be used by the Board in any manner as the Board may deem fit as may be permitted under the applicable laws and the Bye-laws. Shareholders and potential investors of the Company should note that the credits arising in the books from the Capital Reorganisation will be subject to change depending on the number of the Shares in issue immediately prior to the Capital Reorganisation becoming effective.

Assuming there is no change in the issued share capital of the Company from the date of this announcement up to the effective date of the Capital Reorganisation, the effect of the Capital Reorganisation on the share capital structure of the Company is summarised below:

	As at the date of this announcement	Immediately upon the Share Consolidation becoming effective but prior to the Capital Reduction and the Share Sub-division becoming effective	Immediately upon the Capital Reorganisation becoming effective
Par value	HK\$0.05 per Existing Share	HK\$0.50 per Consolidated Share	HK\$0.01 per New Share
Authorised share capital	HK\$150,000,000	HK\$150,000,000	HK\$150,000,000
Number of authorised shares	3,000,000,000 Existing Shares	300,000,000 Consolidated Shares	15,000,000,000 New Shares
Issued shares	1,671,846,657 Existing Shares	167,184,665 Consolidated Shares (with a fraction of 0.7 Consolidated Share)	167,184,665 New Shares
Issued share capital	HK\$83,592,332.85	HK\$83,592,332.85	HK\$1,671,846.65

All New Shares in issue immediately following the Capital Reorganisation becoming effective will rank *pari passu* in all respects with each other and the Capital Reorganisation will not result in any change in the relative rights of the Shareholders.

Based on the closing price of HK\$0.043 per Existing Share as quoted on the Stock Exchange on the date of this announcement, the price of the New Shares as quoted on the Stock Exchange, assuming the Capital Reorganisation had already been effective, would be HK\$0.430 per New Share.

The board lot size for trading of the Shares on the Stock Exchange will remain at 8,000 Shares. Based on the closing price of HK\$0.043 per Existing Share as quoted on the Stock Exchange on the date of this announcement, the current value of each board lot of 8,000 Existing Shares was HK\$344, and the value of each board lot of 8,000 New Shares, assuming the Share Consolidation had already been effective, would be HK\$3,440.

Other than the relevant expenses, including but not limited to professional fees and printing charges to be incurred, the implementation of the Capital Reorganisation will have no material effect on the consolidated net asset value of the Group, nor will they alter the underlying assets, business, operations, management or financial position of the Company or the proportionate interests of the Shareholders, save for any fractional Consolidated Share which may arise. Any fractional Consolidated Share arising from the Share Consolidation will not be allocated to the Shareholders. Any fractional entitlement to the Consolidated Shares will be aggregated, sold and retained for the benefits of the Company. The Board believes that the Capital Reorganisation will not have any material adverse effect on the financial position of the Group.

Listing application

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the New Shares arising from the Capital Reorganisation.

Subject to the granting of listing of, and permission to deal in, the New Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, upon the Capital Reorganisation becoming effective, the New Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the New Shares on the Stock Exchange or such other date as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the New Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares is listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time when the Capital Reorganisation becomes effective, the Consolidated Shares and the New Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

OTHER ARRANGEMENTS

Fractional entitlement to the Consolidated Shares

Fractional Consolidated Shares arising from the Share Consolidation, if any, will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.

Odd lot arrangements

In order to facilitate the trading of odd lots (if any) of the New Shares, the Company will appoint a securities firm to provide matching service, on a best effort basis, for the sale and purchase of odd lots of the New Shares. Details of such arrangement will be set out in the circular to be published.

Shareholders holding odd lots of the New Shares should note that the matching of the sale and purchase of odd lots of the New Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

Exchange of share certificates

Should the Capital Reorganisation become effective, which is currently expected to be on Tuesday, 22 July 2025, being the second Business Day immediately after the date of the SGM, the Shareholders may, during the period from 22 July 2025 to 27 August 2025 (both days inclusive), submit existing certificates for the Existing Shares (in the colour of orange) to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, during business hours for exchange, at the expense of the Company, for new share certificates for the New Shares (in the colour of yellow).

Thereafter, certificates for the Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be allowed by the Stock Exchange) for each certificate for the New Shares issued or each share certificate for the Existing Shares submitted for cancellation, whichever the number of certificates involved is higher.

Subject to and upon the Capital Reorganisation becoming effective, after 4:10 p.m. on Monday, 25 August 2025, trading will only be in the New Shares. Share certificates for the Existing Shares will cease to be good for delivery, trading, settlement and registration purposes but will continue to be good evidence of legal title and may be exchanged for certificates for the New Shares at any time.

REASONS FOR THE PROPOSED CAPITAL REORGANISATION

According to Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the issuer either to change the trading method or to proceed with a consolidation or splitting of its securities. The “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 (and last updated in September 2024) has further stated that (i) market price of the shares at a level less than HK\$0.10 each will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000.

The Existing Shares have been trading at a level below HK\$0.10 each and the value per board lot of the Existing Shares has been substantially less than HK\$2,000 during the past 12 months. The Board considers that the proposed Capital Reorganisation would enable the Company to comply with the trading requirements under the Listing Rules. The proposed Capital Reorganisation will also reduce the total number of Shares currently in issue, and is expected to bring about a corresponding upward adjustment to the trading price of the Shares on the Stock Exchange.

The Company believes that an upward adjustment in the trading price of the New Shares will make investing in the Shares more attractive to a broader range of institutional and professional investors, which is also expected to uplift the corporate image and profile of the Company and diversify the shareholder base of the Company.

Further, the Capital Reorganisation would reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction fee for each securities trade.

In view of the above reasons, the Board is of the view that the Capital Reorganisation is beneficial to and in the interests of the Company and the Shareholders as a whole.

As at the date of this announcement, the Company has no intention to carry out other corporate actions in the next 12 months which may have an effect of undermining or negating the intended purpose of the Capital Reorganisation. As at the date of this announcement, the Company is considering a potential equity issue, subject to the Capital Reorganisation becoming effective. Save for the aforementioned, as at the date of this announcement, the Company does not have present intention to conduct any fundraising activities in the next 12 months. Having said so, the Company does not rule out the possibility that it may conduct

debt and/or equity fund raising exercises when suitable fundraising opportunities arise in order to support future development of the Group. The Company will make further announcement(s) in this regard in accordance with the Listing Rules as and when appropriate.

EXPECTED TIMETABLE

The expected timetable of the Capital Reorganisation is as follows:

Events	Time and date
	2025
Despatch date of circular with notice of the SGM	Friday, 27 June
Latest date and time for lodging transfer documents in order to qualify for attending and voting at the SGM	4:30 p.m. on Monday, 14 July
Closure of register of members for the entitlement to attend and vote at the SGM.	Tuesday, 15 July to Friday, 18 July (both days inclusive)
Latest date and time for lodging forms of proxy for the SGM	9:00 a.m. on Wednesday, 16 July
Date and time of the SGM.	9:00 a.m. on Friday, 18 July
Announcement of the poll results of the SGM.	Friday, 18 July
The following events are conditional on the fulfilment of the conditions for the implementation of the Capital Reorganisation and therefore the dates are tentative:	
Expected effective date of the Capital Reorganisation.	Tuesday, 22 July
First day for free exchange of existing share certificates	Tuesday, 22 July
Commencement of dealings in New Shares	9:00 a.m. on Tuesday, 22 July
Original counter for trading in the Existing Shares in board lots of 8,000 Existing Shares (in the form of existing share certificates) temporarily closes.	9:00 a.m. on Tuesday, 22 July
Temporary counter for trading in the New Shares in board lots of 800 New Shares (in the form of existing share certificates) opens	9:00 a.m. on Tuesday, 22 July

Original counter for trading in the New Shares
in board lots of 8,000 New Shares (in the form of
new share certificates) re-opens 9:00 a.m. on Tuesday, 5 August

Parallel trading in the New Shares (in form of
new share certificates and existing
share certificates) commences 9:00 a.m. on Tuesday, 5 August

Designated broker starts to stand in the market
to provide matching services for sale and
purchase of odd lots of the New Shares 9:00 a.m. on Tuesday, 5 August

Designated broker ceases to stand in the market
to provide matching services for sale and
purchase of odd lots of the New Shares 4:00 p.m. on Monday, 25 August

Temporary counter for trading in the New Shares
in board lots of 800 New Shares (in the form of
existing share certificates) closes 4:10 p.m. on Monday, 25 August

Parallel trading in the New Shares (in form of
new share certificates and
existing share certificates) ends 4:10 p.m. on Monday, 25 August

Last day for free exchange of existing share certificates
for new share certificates for the New Shares Wednesday, 27 August

All times and dates specified in the timetable above refer to Hong Kong times and dates.

The expected timetable set out above is indicative only and may be subject to change. Further announcement(s) will be made as and where appropriate.

GENERAL

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Capital Reorganisation. To the best of the Directors' knowledge, information and belief, as no Shareholder has a material interest in the Capital Reorganisation, no Shareholder will be required to abstain from voting on the special resolution to approve the Capital Reorganisation at the SGM.

A circular containing, among other things, details of the Capital Reorganisation, together with a notice convening the SGM and the related proxy form, is expected to be published on or before Friday, 27 June 2025.

WARNING

Shareholders and potential investors of the Company should note that the Capital Reorganisation is conditional upon satisfaction of the conditions set out in this announcement. Accordingly, the Capital Reorganisation may or may not proceed.

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DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Board”	the board of Directors
“Business Day”	day(s) (excluding Saturdays, Sundays and public holidays) on which banks are open for business in Hong Kong
“Bye-laws”	the bye-laws of the Company (as amended from time to time)
“Capital Reduction”	the proposed cancellation of any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation and the proposed reduction of the issued share capital of the Company whereby the par value of each of the then issued Consolidated Shares will be reduced from HK\$0.50 to HK\$0.01 by cancelling the paid-up capital to the extent of HK\$0.49 on each of the then issued Consolidated Shares
“Capital Reorganisation”	the proposed reorganisation of the share capital of the Company involving the Share Consolidation, the Capital Reduction and the Share Sub-division
“CCASS”	the Central Clearing and Settlement System operated by HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
“Companies Act”	the Companies Act 1981 of Bermuda (as amended)

“Company”	New Ray Medicine International Holding Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on Main Board of the Stock Exchange (stock code: 6108)
“Consolidated Share(s)”	ordinary share(s) of par value of HK\$0.50 each in the share capital of the Company immediately after the Share Consolidation but before the Capital Reduction and the Share Sub-division becoming effective
“Contributed Surplus Account”	the contributed surplus account of the Company within the meaning of the Companies Act
“Director(s)”	the director(s) of the Company
“Existing Share(s)”	ordinary share(s) of par value of HK\$0.05 each in the share capital of the Company prior to the Capital Reorganisation becoming effective
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong from time to time
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Share(s)”	the ordinary share(s) of par value HK\$0.01 each in the share capital of the Company immediately upon the Capital Reorganisation becoming effective
“SGM”	a special general meeting of the Company to be convened and held to consider and, if thought fit, approve, among other things, the Capital Reorganisation

“Share(s)”	the Existing Share(s), the Consolidated Share(s) and/or the New Share(s), as the case may be
“Shareholder(s)”	the holder(s) of the Share(s)
“Share Consolidation”	the proposed consolidation of every ten (10) issued and unissued Existing Shares of par value of HK\$0.05 into one (1) Consolidated Share of par value of HK\$0.50
“Share Sub-division”	the proposed sub-division of each of the then authorised but unissued Consolidated Share of par value HK\$0.50 each into fifty (50) New Shares of par value of HK\$0.01 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

On behalf of the Board
New Ray Medicine International Holding Limited
Wang Qiuqin
Chairman & Executive Director

Hong Kong, 6 June 2025

As at the date of this announcement, the executive Directors are Ms. Wang Qiuqin, Mr. Chu Xueping and Ms. Zhou Wan; and the independent non-executive Directors are Mr. Leung Chi Kin, Ms. Li Sin Ming, Ivy and Mr. Sy Lai Yin, Sunny.